



CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

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TESTIMONY  
BEFORE THE  
PUBLIC HEALTH, INSURANCE AND REAL ESTATE  
AND HUMAN SERVICES COMMITTEES  
LEGISLATIVE OFFICE BUILDING  
FEBRUARY 14, 2011

My name is Eric George and I am Associate Counsel for the Connecticut Business & Industry Association (CBIA). CBIA represents approximately 10,000 businesses throughout Connecticut and the vast majority of these are small companies employing less than 50 people.

While the federal government has passed health care reform, more needs to be done to lower costs. More needs to be done to improve the health of our citizens. Employers find health care costs rising faster than other input costs. Some providers are unable to generate sufficient patient revenue to cover costs. Some patients cannot get timely access to optimal care. And too many individuals remain without health insurance, engage in unhealthy behaviors and live in unhealthy environments.

For the business community, the issues of health care quality, cost and access are critical. After numerous years of double-digit and near-double-digit increases, health insurance has quickly become a product that many people and companies find they can no longer afford. In addition, the cost of health care directly affects businesses' ability to create new jobs.

With that, we would like to offer our comments on **SB-921, An Act Establishing a State Health Insurance Exchange**.

The Patient Protection and Affordable Care Act (PPACA) requires all states to establish a health insurance marketplace (known as an exchange) by 2014. Among other considerations, the State would have the ability to opt to have one exchange for both the individual and group markets or to have two tandem exchanges servicing each of these populations.

As you move forward with establishing Connecticut's health insurance exchange, we strongly urge you to craft it in a way that preserves and strengthens our private sector system of health care since it is a critical economic base in our state.

At a recent press conference, Governor Malloy said that he intends to grow the insurance industry, which is a key economic industry in our state. Governor Malloy cited the fact that the industry has lost about one quarter of its workforce over the last 20 years. He said, and we fully agree, that this trend of job-loss must be ended and reversed.

Again, thank you for the opportunity to offer CBIA's comments on this legislation. I look forward to working with you on this and other issues related to the reforming Connecticut's health care system.